## Congress of the United States

## House of Representatives Washington, AC 20515-2004

April 7, 2020

The Honorable Alex M. Azar II Secretary of Health & Human Services Department of Health & Human Services 200 Independence Avenue, S.W. Washington, DC 20201 The Honorable Chad F. Wolf Acting Secretary of Homeland Security Department of Homeland Security 2707 Martin Luther King Jr Ave SE Washington, DC 20528-0525

Dear Secretary Azar and Acting Secretary Wolf:

The COVID-19 pandemic is a health crisis on a scale the United States has not witnessed in over a century. The high rate of transmission for the SARS-CoV-2 virus and the significant mortality rate from the associated disease threaten every corner of our nation. It is a crisis which requires the full strength of the federal government to respond with immediate, consistent, comprehensive, and deliberate action.

While we are encouraged by the Administration's initial use of the Defense Production Act (DPA) in response to the pandemic, the actions taken to date are insufficient to ensure a coherent, nationwide response to the requirements for medical resources and supplies across our country. As a result, the commercial markets that the states and local municipalities have been directed by the Administration to use are failing. Public reporting has found that New York State is paying 15 times the normal market prices for medical supplies and equipment, preventing other regions of the country from procuring needed resources.

There are indications the crisis in New York will soon peak and they can begin recovering, yet the crisis for the rest of the nation is only truly beginning. In Maryland and Virginia, the number of deaths are doubling every three and four days respectively, with the spread of the disease approximately two weeks behind New York. We have been informed by the health systems in our states that they cannot compete within the current marketplace and thus cannot procure the medical supplies and equipment necessary to prepare for the coming wave of infections. These market failures endanger the lives of every one of our constituents.

Given the critical nature of the District of Columbia, Maryland, and Virginia (DMV) to the operation of our federal government, the lack of resources in this region threatens our entire The Honorable Alex M. Azar II The Honorable Chad F. Wolf April 7, 2020 Page 2

nation's ability to respond to this crisis. The citizens of the region are critical to the national response in providing medical guidance, granting research funds for treatments, issuing tax rebates, guaranteeing our distribution networks are operational, and other crucial functions. As such, it is even more critical that this region receive the medical supplies and equipment that it needs, that we ensure the federal government continues to operate at full capacity, and that we prevent any secondary impacts that would result in further loss of life.

These deficiencies in the market need not exist. The DPA grants the administration the necessary authorities to ensure a coordinated, national distribution of scarce resources in the name of national defense. We thus request that you take the following actions under the DPA:

- Identify the medical supplies and equipment for which the prevailing market prices exceed the average market price from calendar year 2019 by more than 10 percent.
- Exercise the authority provided under Title I to place an indefinite delivery/indefinite quantity contract with all domestic suppliers for these and other scarce medical resources required to address the pandemic.
- Exercise the authority provided under Title I to require these suppliers to prioritize the federal contract.
- Exercise the authority provided under Title III to guarantee aggregate purchases of sufficient quantity to both address the pandemic and build a national stockpile capable of addressing the next pandemic.
- Exercise the authority provided under Title I to establish a national distribution plan to allocate these resources fairly and according to need, taking into account critical regions for the crisis response.
- Provide to Congress and the states daily updates on the status of the contracts and the allocation of the resources.

The federal government is more than just a shipping clerk. It is the largest, most powerful organization in the world with the ability to take action to ensure all Americans receive the care that they require in these dangerous times. We thank you once more for the actions you have already taken and we express our full support as a partner in addressing this national crisis.

Sincerely,

Anthony G. Brown Member of Congress Steny H. Hoyer Member of Congress The Honorable Alex M. Azar II The Honorable Chad F. Wolf April 7, 2020 Page 3

Member of Congress

Donald S. Beyer Jr.

Member of Congress

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Member of Congress

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